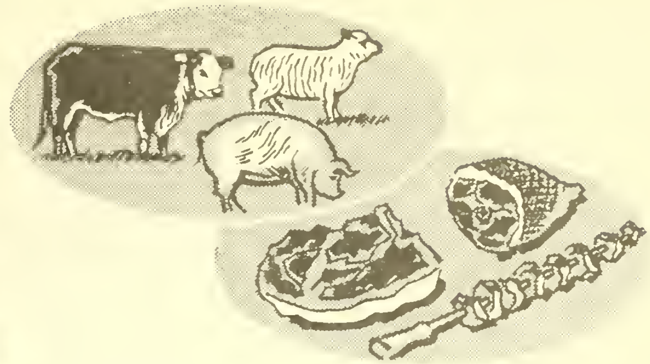
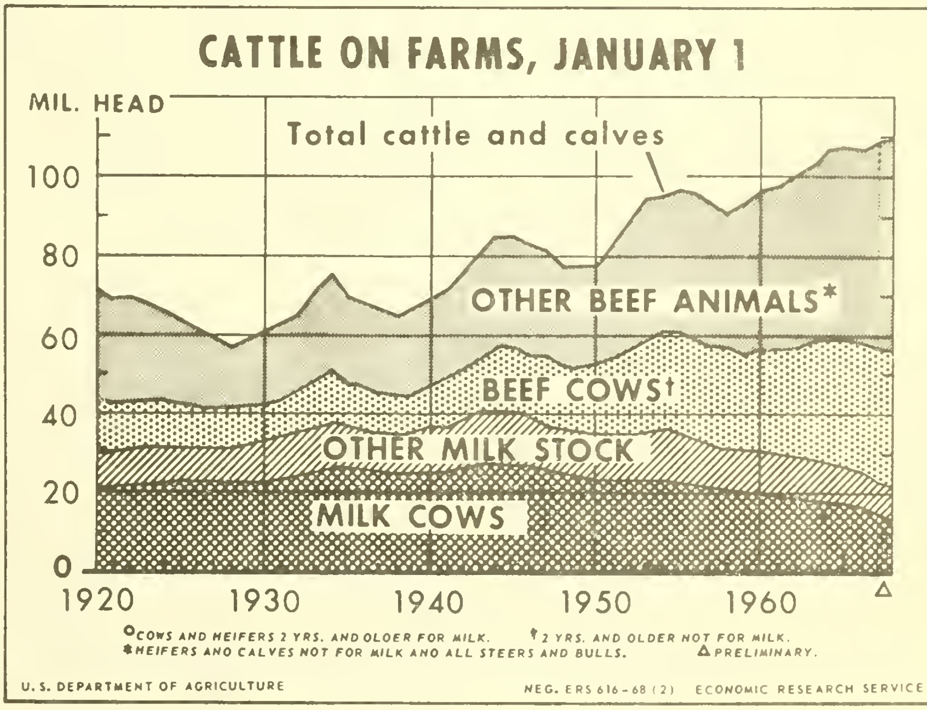


# LIVESTOCK and MEAT SITUATION

LMS-160 MARCH 1968

The total number of cattle and calves on farms has remained relatively steady during the past 3 years. On January 1, 1968, there were 108.8 million head on farms. This was slightly more than a year earlier, but slightly less than at the beginning of 1965 when the inventory was record large.

The beef herd has continued to increase in recent years, but the number of dairy cattle on farms has declined. Beef cow numbers increased 0.6 million head during 1967, while the number of dairy cows declined 0.5 million head.




***IN THIS ISSUE***

**LIVESTOCK ON FARMS JANUARY 1**



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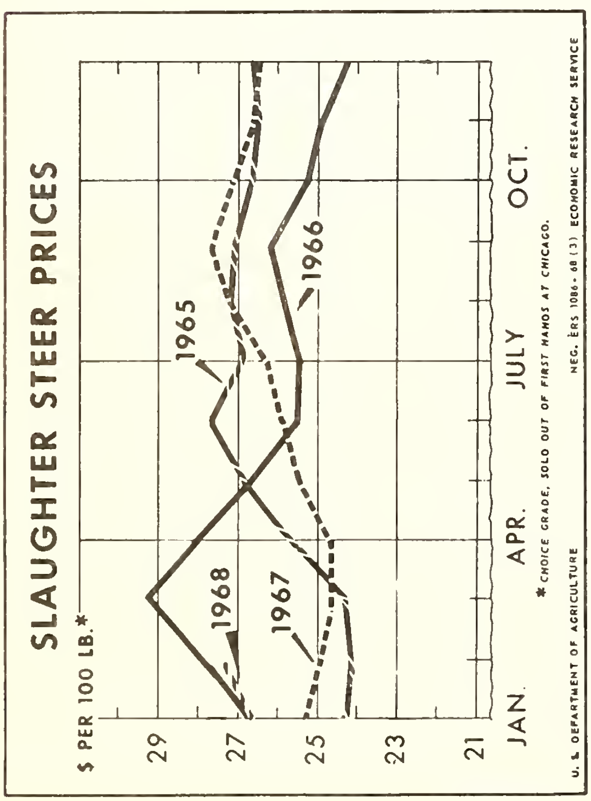
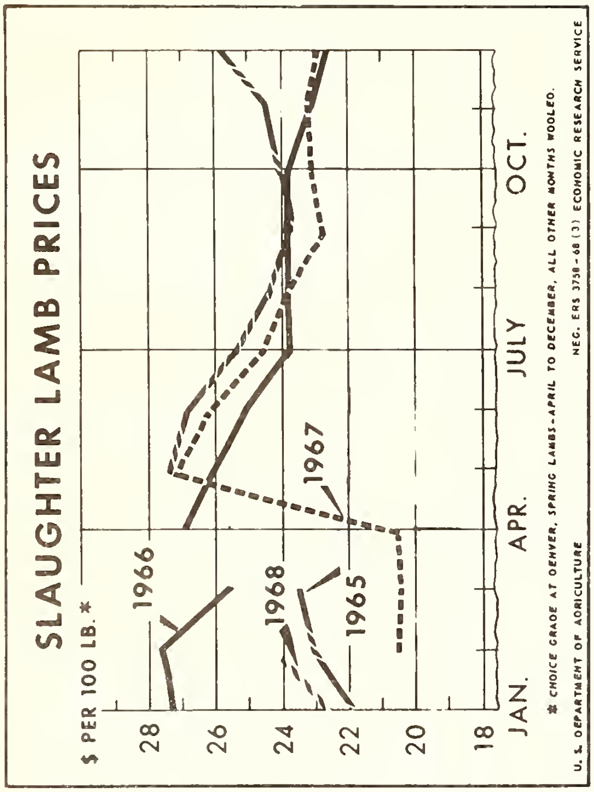
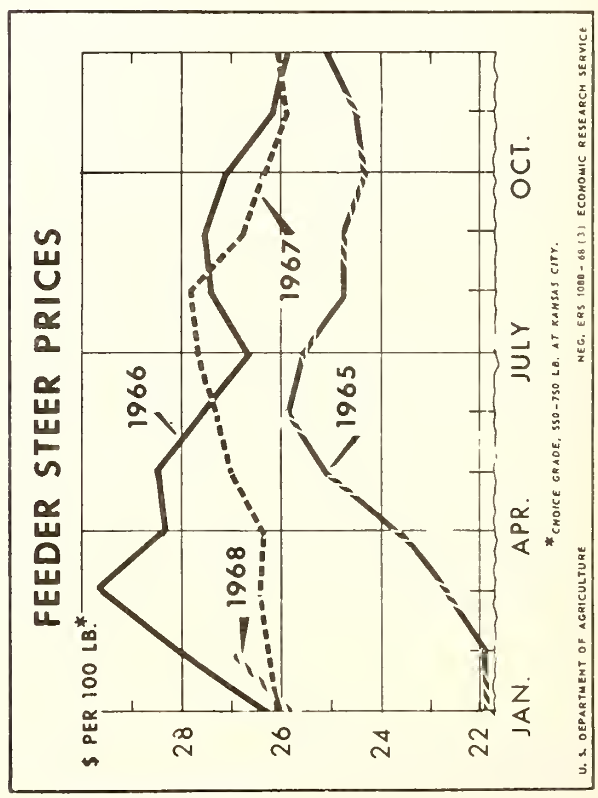
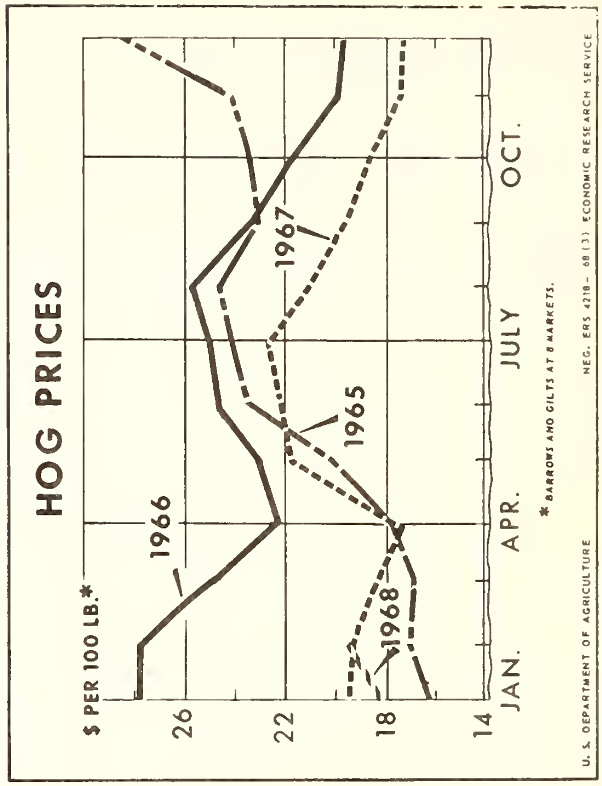

SLAUGHTER STEER PRICES
$ PER 100 LB.*
29
27
25
23
21
JAN. APR. JULY OCT.
1968
1967
1965
1966
* CHOICE GRADE, SOLD OUT OF FIRST HANDS AT CHICAGO.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 1086-68 (3) ECONOMIC RESEARCH SERVICE


SLAUGHTER LAMB PRICES
$ PER 100 LB.*
28
26
24
22
20
18
JAN. APR. JULY OCT.
1966
1968
1965
1967
* CHOICE GRADE AT DENVER, SPRING LAMBS-APRIL TO DECEMBER, ALL OTHER MONTHS WOOLED.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 3758-68 (3) ECONOMIC RESEARCH SERVICE


FEEDER STEER PRICES
$ PER 100 LB.*
28
26
24
22
JAN. APR. JULY OCT.
1968
1966
1967
1965
*CHOICE GRADE, 550-750 LB. AT KANSAS CITY.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 1088-68 (3) ECONOMIC RESEARCH SERVICE


HOG PRICES
$ PER 100 LB.*
26
22
18
14
JAN. APR. JULY OCT.
1966
1968
1965
1967
* BARROWS AND GILTS AT 8 MARKETS.
U. S. DEPARTMENT OF AGRICULTURE
NEG. ERS 4218-68 (3) ECONOMIC RESEARCH SERVICE

Approved by the Outlook and Situation Board, March 8, 1968



# SUMMARY*


The total inventory of cattle and calves on farms has remained relatively steady during the past 3 years. Numbers declined slightly from a peak of 109.0 million head on January 1, 1965, to 108.6 million at the beginning of 1967. On January 1 this year, there were an estimated 108.8 million head on farms according to the livestock inventory report. Increases in beef cattle numbers in recent years have just about offset the continuing decline in dairy cattle.

The beef calf crop this year can be expected to be somewhat larger than in 1967, due to the 2 percent increase in beef cows. There were a record 35.3 million beef cows on farms January 1, 1968. The expected increase in the calf crop indicates that supplies of beef will continue large during the next couple of years.

## Fed Cattle

Fed cattle prices strengthened in early 1968, even though marketings were larger than a year earlier. Higher prices reflected continued strong consumer demand for meat and lighter average slaughter weights of fed cattle. There was apparently little change in total red meat production (dressed weight) in January. Commercial beef production in January was 4 percent larger than a year earlier, while output of other red meats was up 3 percent. However, there was 1 more slaughtering day during January 1968, so average production per day was about the same as a year earlier. Choice steers at Chicago averaged about $27.75 per 100 pounds in late February, more than $3 above a year earlier.

Fed cattle marketings are expected to continue near last year's high levels through April-June. Spring marketings likely will be larger than in the fall of 1967 or this winter. Although fed cattle prices in the spring likely will be a little lower than in February, they are expected to run above the average of $25.30 for Choice steers at Chicago in April-June 1967.

## Hogs

So far in 1968, hog slaughter under Federal inspection has averaged slightly below the same weeks a year earlier. Commercial slaughter in January totaled somewhat larger than last year, because of the additional slaughtering day. Slaughter is expected to average a little higher in the spring than a year earlier. The 1967 fall pig crop was 2 percent larger than a year earlier, but most of the increase was in pigs that will reach slaughter weights during the spring.


*The summary of this report was released on March 8, 1968.

Prices of barrows and gilts at 8 markets were about $19.60 per 100 pounds in late February, about 40 cents higher than a year earlier. This is in contrast to the price situation earlier in the winter, when hog prices were running about $1 less than a year earlier.

Hog prices will rise seasonally from the spring low to a peak next summer--around last July's $22.60 for barrows and gilts at 8 markets. Summer slaughter supplies will reflect the number of pigs born during December 1967-February 1968. In December, hog producers in 10 Corn Belt States said they planned to have about the same number of sows farrow during these months as a year earlier.

Sheep & Lambs

The liquidation of the sheep and lamb inventory that began in 1960 continued last year, but at an accelerated rate. There were 22.1 million sheep and lambs on farms on January 1, 1968, a decrease of 7 percent from a year earlier. A further decline in the inventory is in prospect this year.

Lamb slaughter this spring and summer likely will run below a year earlier. There were 9 percent fewer lambs on feed at the beginning of this year, and the 1968 lamb crop probably will reflect the 5 percent drop in the beginning inventory of breeding ewes.

Slaughter lamb prices strengthened this winter. In late February, Choice slaughter lambs at San Angelo averaged around $25 per 100 pounds. This was about $2.50 above last fall and $3 above the relatively low level of a year earlier. Lamb prices likely will continue above year-earlier levels during the spring, but by a smaller margin. In the summer, lamb prices are expected to decline seasonally, but to remain above year-earlier levels.

# REVIEW AND OUTLOOK

## CATTLE

### Cattle Numbers Turn Up Slightly

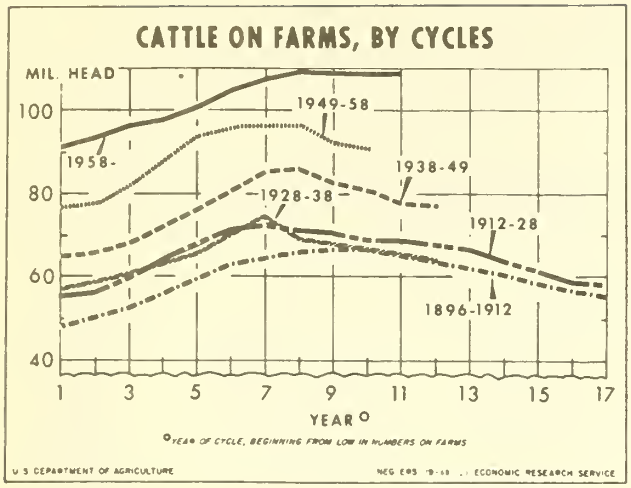
The number of cattle and calves on farms rose slightly in 1967 and at the beginning of this year stood at 108.8 million head. The inventory has been relatively stable for the past 3 years. On January 1, 1965, there were 109.0 million head on farms. Numbers declined slightly during both 1965 and 1966 to 108.6 million head on January 1, 1967. These moderate declines in the total cattle inventory in 1965 and 1966 were due entirely to decreases in dairy cattle. The number of beef cattle on farms continued to rise, although at a slower rate than in the early 1960's. Since the beginning of 1965 beef cow numbers have risen about 1 million head, including a 0.6 million head increase during 1967. Therefore, the beef calf crop likely will be larger again this year. This will mean a continued high level of beef output during the next several years.

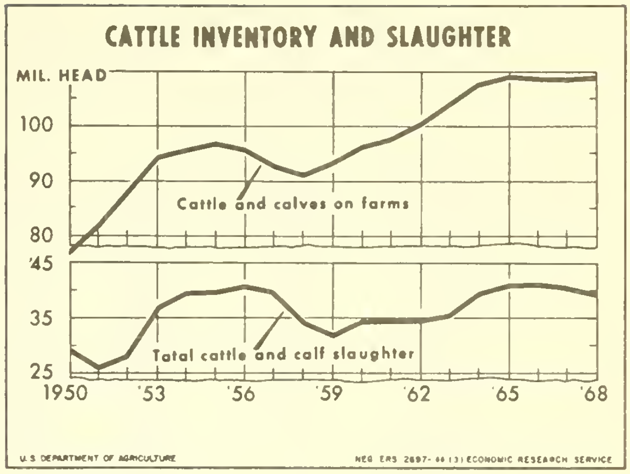
A low in the inventory of cattle and calves on farms was reached on January 1, 1958--91.2 million head--partly as a result of low cattle prices and poor range conditions in the mid-1950's. Since then, with higher prices of feeder cattle and improved range conditions, cattle numbers rose to a peak of 109.0 million head on January 1, 1965. However, this peak in cattle numbers was not followed by a cyclical decline in the inventory. The total number of cattle and calves on farms has remained relatively stable during the past few years, even though beef cattle now account for a much larger proportion of the total. At the beginning of this year, beef cattle represented 80 percent of the total cattle inventory, compared with 65 percent 10 years ago and 53 percent 20 years earlier. This trend likely will continue in 1968. Stockmen are expected to further expand the beef herd while dairymen likely will continue to reduce herds, although at a somewhat slower pace.

The number of cattle and calves on farms increases when slaughter of cattle and calves is small in relation to live cattle imports and the calf crop. When slaughter is large in relation to the beginning inventory and these additions, the inventory declines. In the past 3 years, slaughter and the number of cattle raised plus net imports have been about in balance. This situation is expected to be repeated in 1968 and little change in the cattle inventory is in prospect this year.

### Feeder Cattle Supply Same As A Year Earlier

The total supply of feeder cattle available for placement on feed is about the same this year as it was a year ago. On January 1, the inventory of beef steers and heifers on farms and ranches was 21.9 million head. This was about the same as in 1967.




Since 2 percent more cattle were on feed on January 1, 1968, the number of steers and heifers not on feed was slightly smaller than a year earlier. However, the number of beef calves still on farms at the beginning of the year rose and was about 0.2 million head larger than a year earlier.

Marketings of fed cattle have increased almost a million head per year during the past 4 years. Although total slaughter has increased, this increase has been mainly the result of feeding an increasing proportion of all cattle and calves before slaughter. For example, 10 years ago fed cattle marketings accounted for less than half of all cattle slaughtered. But in 1967, fed cattle marketings accounted for almost two-thirds of the total.

While fed cattle marketings have risen in recent years, the supply of yearling steers on hand at the beginning of the year has been relatively stable, but the supply of yearling heifers has increased. There were 12.6 million beef steers on farms on January 1, 1968--about 0.1 million head less than 4 years earlier. During the same period, the number of beef heifers on farms rose 0.7 million head to a total of 9.3 million at the beginning of this year. On January 1, 1968, there were 27.5 million beef calves on farms, 2.3 million more than 4 years earlier and 9.2 million more than 10 years ago. This reflects, in part, reduced calf slaughter and an increase in the beef calf crop.

## Feeder Cattle Show Late-Winter Strength

Feeder cattle prices were fairly stable last fall and early winter, but strengthened in February. Choice 550-750 pound feeder steers at Kansas City averaged $26.10 per 100 pounds in October-December 1967.

At the beginning of this year feeder cattle prices were about the same as a year earlier. In late February, they were averaging $27.35 about $1 above a year earlier. They likely will strengthen seasonally this spring and early summer and are expected to continue to follow the general movements of fed cattle prices. However, cattle feeders have expanded lot capacity and likely will continue to bid aggressively for feeder cattle, especially since feed costs will be lower in the first half of 1968 than in 1967. This means that during the next few months feeder cattle prices may have a somewhat stronger tone than fed cattle.

## Fed Cattle Marketings This Spring To Be Above Winter Levels

Fed cattle marketings this winter likely will be somewhat larger than a year earlier. Cattle feeders stated intentions to market 2 percent more cattle out of feedlots this winter than last. Also, in the 6 States for which monthly data are available, fed cattle marketings in January were 9 percent larger than in January last year. However, these States show considerable month-to-month variation so it is unlikely that total fed cattle marketings in January-March will be up that much.

Cattle feeders have continued to market fed cattle at somewhat lighter weights this winter than last. Heifers are making up a larger part of cattle marketings. This also tends to lower average slaughter weights for all cattle. This has offset, in part, the effect of increased marketings so far this winter. Thus the increase in fed beef production has been less than the increase

Table 1 .--Number of livestock on farms and ranches January 1, United States, 1956 to date 1/

| Year | Number on farms January 1 | | | | Index numbers, by groups (1957-59=100) | | | |
|---|---|---|---|---|---|---|---|---|
| | All cattle and calves | All sheep and lambs | Hogs | Chickens | Total livestock and poultry | Meat animals | Milk cattle | Poultry |
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | | | | |
| 1956 | 95,900 | 31,157 | 55,354 | 383,690 | 104 | 104 | 107 | 98 |
| 1957 | 92,860 | 30,654 | 51,897 | 391,363 | 100 | 100 | 105 | 102 |
| 1958 | 91,176 | 31,217 | 51,517 | 374,281 | 98 | 98 | 100 | 97 |
| 1959 | 93,322 | 32,606 | 58,045 | 387,002 | 102 | 102 | 95 | 101 |
| 1960 | 96,236 | 33,170 | 59,026 | 369,484 | 104 | 104 | 93 | 96 |
| 1961 | 97,700 | 32,725 | 55,560 | 366,082 | 104 | 104 | 92 | 98 |
| 1962 | 100,369 | 30,969 | 56,619 | 377,392 | 107 | 107 | 90 | 99 |
| 1963 | 104,488 | 29,176 | 57,993 | 375,575 | 110 | 110 | 87 | 99 |
| 1964 | 107,903 | 27,116 | 56,757 | 382,262 | 112 | 113 | 83 | 100 |
| 1965 | 109,000 | 25,127 | 50,792 | 394,118 | 112 | 112 | 80 | 103 |
| 1966 | 108,862 | 24,734 | 47,414 | 393,019 | 111 | 111 | 75 | 104 |
| 1967 | 108,645 | 23,898 | 53,249 | 428,746 | 112 | 112 | 72 | 114 |
| 1968 2/ | 108,813 | 22,122 | 54,263 | 424,550 | 112 | 112 | 69 | 112 |

1/ Data for 50 States beginning in 1961.
2/ Preliminary.

Table 2 .--Number of cattle and calves on farms and ranches January 1, by classes, United States, 1956 to date 1/

| Year | For milk | | | | Not for milk | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Cows and heifers, 2 years and over | Heifers, 1 to 2 years old | Heifer calves | Total | Cows and heifers, 2 years and over | Heifers, 1 to 2 years old | Calves | Steers, 1 year old and over | Bulls, 1 year old and over | Total |
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head |
| 1956 | 22,912 | 5,407 | 5,890 | 34,209 | 25,371 | 6,206 | 18,869 | 9,483 | 1,762 | 61,691 |
| 1957 | 22,325 | 5,267 | 5,699 | 33,291 | 24,534 | 5,926 | 18,405 | 8,991 | 1,713 | 59,569 |
| 1958 | 21,265 | 5,126 | 5,571 | 31,962 | 24,165 | 5,903 | 18,275 | 9,252 | 1,619 | 59,214 |
| 1959 | 20,132 | 5,050 | 5,526 | 30,708 | 25,112 | 6,557 | 19,407 | 9,931 | 1,607 | 62,614 |
| 1960 | 19,527 | 5,079 | 5,575 | 30,181 | 26,344 | 7,036 | 20,425 | 10,574 | 1,676 | 66,055 |
| 1961 | 19,271 | 5,016 | 5,446 | 29,733 | 27,327 | 7,115 | 20,814 | 10,997 | 1,714 | 67,967 |
| 1962 | 18,963 | 4,887 | 5,264 | 29,114 | 28,691 | 7,446 | 22,300 | 11,103 | 1,715 | 71,255 |
| 1963 | 18,379 | 4,708 | 4,935 | 28,022 | 30,589 | 8,108 | 23,747 | 12,251 | 1,771 | 76,466 |
| 1964 | 17,647 | 4,395 | 4,692 | 26,734 | 32,794 | 8,612 | 25,243 | 12,669 | 1,851 | 81,169 |
| 1965 | 16,981 | 4,149 | 4,420 | 25,550 | 34,238 | 8,989 | 26,181 | 12,134 | 1,908 | 83,450 |
| 1966 | 15,987 | 3,860 | 4,151 | 23,998 | 34,433 | 8,925 | 26,879 | 12,749 | 1,878 | 84,864 |
| 1967 | 15,198 | 3,636 | 4,089 | 22,923 | 34,685 | 9,121 | 27,294 | 12,752 | 1,870 | 85,722 |
| 1968 2/ | 14,662 | 3,566 | 4,003 | 22,231 | 35,300 | 9,312 | 27,507 | 12,568 | 1,895 | 86,582 |

1/ Data for 50 States beginning in 1961.
2/ Preliminary.

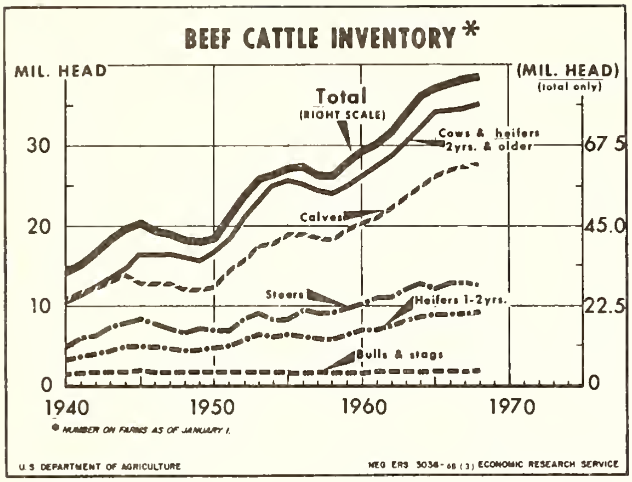
Table 3.--Selected prices per 100 pounds of cattle, by months, 1967-68

| Month | Chicago: Choice steers 1967 | Chicago: Choice steers 1968 | Chicago: Utility cows 1967 | Chicago: Utility cows 1968 | Kansas City: Choice feeder steers 550-750 lb. 1967 | Kansas City: Choice feeder steers 550-750 lb. 1968 | Kansas City: Choice feeder steer calves 1967 | Kansas City: Choice feeder steer calves 1968 |
|---|---|---|---|---|---|---|---|---|
| | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| January | 25.25 | 26.87 | 16.98 | 16.35 | 26.16 | 25.82 | 29.69 | 28.69 |
| February | 24.92 | 27.34 | 17.92 | 17.98 | 26.28 | 26.94 | 29.69 | 29.52 |
| March | 24.67 | | 18.00 | | 26.44 | | 30.01 | |
| April | 24.66 | | 17.74 | | 26.39 | | 30.25 | |
| May | 25.46 | | 18.51 | | 27.04 | | 30.75 | |
| June | 25.88 | | 18.89 | | 27.34 | | 30.75 | |
| July | 26.40 | | 18.37 | | 27.68 | | 30.75 | |
| August | 27.22 | | 17.79 | | 27.84 | | 30.93 | |
| September | 27.62 | | 17.44 | | 26.74 | | 30.16 | |
| October | 26.97 | | 16.68 | | 26.38 | | 29.98 | |
| November | 26.51 | | 15.89 | | 25.89 | | 29.03 | |
| December | 26.45 | | 16.09 | | 26.03 | | 29.20 | |
| Average | 26.04 | | 17.52 | | 26.68 | | 30.10 | |

Table 4.--Calf and lamb crops, 1961 to date

| Year | Breeding stock on farms January 1: Cows and heifers 2 years old and older | Breeding stock on farms January 1: Ewes 1 year old and older | Annual crops: Number: Calves | Annual crops: Number: Lambs 2/ | Annual crops: Ratio to breeding stock on farms January 1 1/: Calves | Annual crops: Ratio to breeding stock on farms January 1 1/: Lambs |
|---|---|---|---|---|---|---|
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | | |
| 1961 | 46,598 | 22,199 | 40,180 | 20,782 | 86 | 94 |
| 1962 | 47,654 | 21,252 | 41,441 | 19,712 | 87 | 93 |
| 1963 | 48,968 | 20,028 | 42,268 | 18,516 | 86 | 92 |
| 1964 | 50,441 | 18,723 | 43,809 | 16,994 | 87 | 91 |
| 1965 | 51,219 | 17,502 | 43,928 | 16,312 | 86 | 93 |
| 1966 | 50,420 | 16,850 | 43,526 | 15,881 | 86 | 94 |
| 1967 | 49,883 | 16,218 | 43,647 | 15,040 | 87 | 93 |
| 1968 | 49,962 | 15,335 | | | | |

1/ Not strictly a birth rate. Figure represents crop as a percentage of the January inventory and not the number giving birth during the year.
2/ Lambs living July 1, or sold before June 1 in the Native States and lambs docked or branded in the Western Sheep States.




in the number marketed. The average weight of Choice steers at 15 markets in December was 1,130 pounds, 13 pounds less than a year earlier. The average weight in January was 15 pounds less than a year ago. If cattle feeders continue to sell finished cattle at lighter weights, winter marketing may exceed their January 1 intentions and fewer cattle will be carried on feed through the winter for marketing in the spring.

Average live weight of Choice steers at 7 markets

| | 1966 Lb. | 1967 Lb. | 1968 Lb. |
|---|---|---|---|
| Jan. | 1,151 | 1,159 | 1,146 |
| Feb. | 1,143 | 1,156 | |
| Mar. | 1,135 | 1,152 | |
| Apr. | 1,139 | 1,153 | |
| May | 1,144 | 1,155 | |
| June | 1,148 | 1,143 | |
| July | 1,133 | 1,133 | |
| Aug. | 1,126 | 1,115 | |
| Sept. | 1,119 | 1,116 | |
| Oct. | 1,128 | 1,116 | |
| Nov. | 1,139 | 1,132 | |
| Dec. | 1,144 | 1,132 | |
| Year | 1,138 | 1,139 | |

Fed cattle prices rose in January and February. Late last fall, Choice steers at Chicago averaged around $26.50 per 100 pounds. Prices rose slightly during January and in late February were averaging near $27.75. This was more than $3 higher than a year earlier. Fed cattle prices rose in early 1968, even though marketings have exceeded year-earlier levels. These stronger prices reflect the reductions in average slaughter weights, growth in consumer income, and a continuing consumer preference for beef.

The number of cattle on feed on January 1 in weight groups that will figure importantly in spring marketings was about the same as a year ago. However, some cattle placed on feed this winter will be marketed out of feedlots during the spring. Data from 6 States for which monthly figures are available suggest that early winter placements may have been above those a year earlier. Thus, fed cattle marketings this spring may be as large as or larger than the record spring marketings last year. Even if fed cattle marketings this spring are about the same as last year, they will be larger than last fall or this winter.

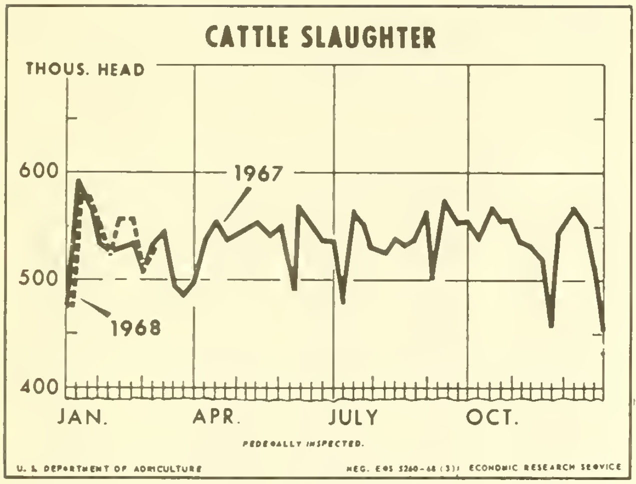
Fed beef output in the spring likely will be as large as last spring, and larger than this winter. Although fed cattle prices this spring may be a little lower than in mid-winter, they are expected to remain higher than the $25.30 average for Choice steers at Chicago in April-June 1967. Since fed marketings this spring likely will be larger than marketings this winter, a significant increase in fed beef production due to heavier slaughter weights would result in price weakness.

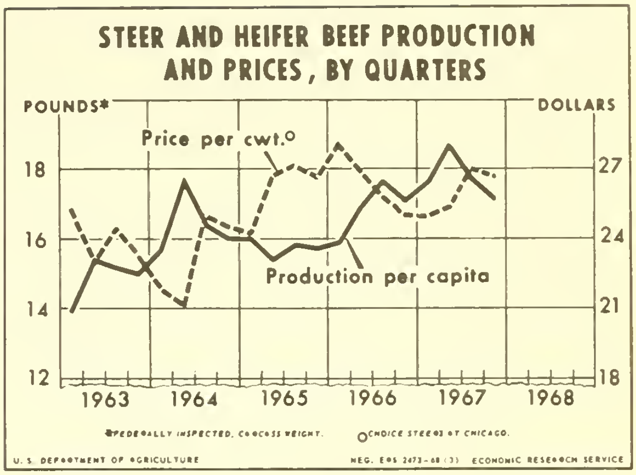
## Summer Fed Cattle Marketings To Continue Large

Fed cattle marketings next summer will depend on the number of cattle placed on feed this winter and, to a limited extent, on the number of lightweight cattle that were on feed early this year. On January 1, there were 6 percent more cattle weighing 700 pounds or less on feed than a year earlier, including 12 percent more steers weighing 500 to 700 pounds. Many of these cattle will be slaughtered before summer, but the remainder will add to summer slaughter supplies. Since placements this winter appear to be somewhat larger than a year earlier, fed cattle marketings next summer likely will run above 1967 levels. However, with continued strong consumer demand, fed cattle prices likely will average as high as or a little higher than they did last summer, when Choice steers at Chicago were $27 per 100 pounds.

## Cow Slaughter Down In 1967

Cow slaughter in federally inspected plants was nearly 10 percent smaller in 1967 than in 1966. However, the rate of cow slaughter was greater than in the previous cattle




inventory buildup from 1959 through 1964. Cow slaughter this year is expected to decline again, but the decline likely will be relatively small. The number of dairy cows culled is not expected to be as large as last year. Also, while there are more beef cows on farms now than a year ago, stockmen likely will continue to be expansion minded in 1968. Thus, culling rates of beef cows this year are expected to continue near last year's level. Stockmen would cull harder if widespread dry weather occurred later this year.

Prices of Utility cows at Chicago averaged $17.52 per 100 pounds in 1967. This was about 50 cents less than in 1966, but higher than in other recent years. Cow prices in February ran about $18 per 100 pounds, almost the same as a year ago. This spring and summer, cow prices likely will average near or a little above last year's. A somewhat smaller supply of cow beef is in prospect during this period. Imports of beef likely will average around year-earlier levels, but competition from pork will increase, since hog slaughter this spring and next summer likely will be a little larger than in these months of 1967.

## Calf Slaughter Declining

A further decline in calf slaughter is in prospect this year. It was down 11

Table 5 .--Number of cattle and calves slaughtered under Federal inspection, by class, United States, by months 1967 to date

| Month | Steers | | Heifers | | Cows | | Calves | |
|---|---|---|---|---|---|---|---|---|
| | 1967 | 1968 | 1967 | 1968 | 1967 | 1968 | 1967 | 1968 |
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head |
| January | 1,231 | 1,299 | 587 | 653 | 519 | 511 | 373 | 365 |
| February | 1,131 | | 528 | | 421 | | 313 | |
| March | 1,263 | | 601 | | 444 | | 400 | |
| April | 1,197 | | 588 | | 372 | | 316 | |
| May | 1,339 | | 623 | | 432 | | 300 | |
| June | 1,342 | | 601 | | 444 | | 285 | |
| July | 1,226 | | 546 | | 430 | | 271 | |
| August | 1,285 | | 647 | | 492 | | 332 | |
| September | 1,186 | | 636 | | 473 | | 348 | |
| October | 1,234 | | 647 | | 518 | | 383 | |
| November | 1,117 | | 588 | | 516 | | 357 | |
| December | 1,127 | | 580 | | 478 | | 323 | |
| Total | 14,676 | | 7,172 | | 5,538 | | 4,002 | |

percent in 1967 because the dairy calf crop was smaller and feeder cattle prices were higher than in all other recent years, except 1966. The decline this year likely will not be as large, since the number of dairy cows on farms at the beginning of the year was off only 0.5 million head.

Prices of veal calves likely will continue strong at least through mid-year and average above year-earlier levels. Good grade 100-250 pound veal calves at South St. Paul were averaging around $32 per 100 pounds in late February, nearly $3 higher than a year ago. Most other markets in late winter were also higher than a year earlier.

Slaughter calf prices are also higher than a year ago. Good grade 250-500 pound slaughter calves at South St. Paul were $22.60 in late February. This was more than $2 above prices a year earlier. With smaller slaughter supplies of both veal and slaughter calves in prospect for this spring and next summer, calf prices likely will continue to run above a year earlier, at least into the fall months.

### By-Product Prices Weak

By-products are currently averaging about $1.70 per 100 pounds (on a 1000 pound steer). This is about 20 cents per 100 pounds less than a year ago. This decline reflects the weak market for variety meats and hides. Heavy native steer hides at Chicago averaged around 9½ cents per pound in February, about 3 cents less than a year earlier. This weakness in the market for by-products is expected to continue through the summer although prices may not differ much from current levels.

## HOGS

### Expansion Moderating

Hog slaughter last year was 11 percent larger than in 1966. However, in December it was 2 percent below a year earlier. Although an extra work day in January resulted in a 4 percent increase in total slaughter, the average weekly rate for the month was about the same as a year earlier. Weekly slaughter rates under Federal inspection during February averaged about 4 percent below a year earlier. Since June-November farrowings (which provide the bulk of winter-spring slaughter supplies) were reported only slightly larger than a year earlier, any change in hog slaughter from a year earlier during the next few months likely will be small.

The expansion in hog production that began late in 1965 is moderating. For example, the June-November 1967 pig crop was only 2 percent larger than a year earlier, in contrast to a 6 percent larger December 1966-May 1967 crop.

The slowdown in hog production represents producers' response to lower hog prices. Returns to hog producers have declined from the high levels of 1966 when prices of barrows and gilts at 8 markets averaged $23.50 per 100 pounds. Last fall they were down to $17.60, nearly $2.80 below a year earlier and more than $7.50 below the near record levels 2 years earlier. October-December prices were the lowest quarterly average since January-March 1965 when prices averaged $16.70. While hog prices declined during 1967, corn prices also dropped from last winter. Consequently, the hog-corn price ratio continued relatively high last fall, averaging 16.3 (Chicago). Except for 1965, this was the highest average ratio for that time of year since 1960.

Producers' intentions suggest some cut-back in future pork production. On December 1, hog producers in 10 Corn Belt States stated intentions to have about the same number of sows farrow in December 1967-February 1968 as a year earlier. These producers have also stated that they intend to have 3 percent fewer sows farrow in March-May than a year earlier. If producers carry out these plans, hog slaughter in the second half of 1968 probably will be slightly smaller than a year earlier.

However, considering the record supply of feed available last fall, some producers may have maintained or increased the number of sows and gilts farrowing in the spring months. If this happened throughout the

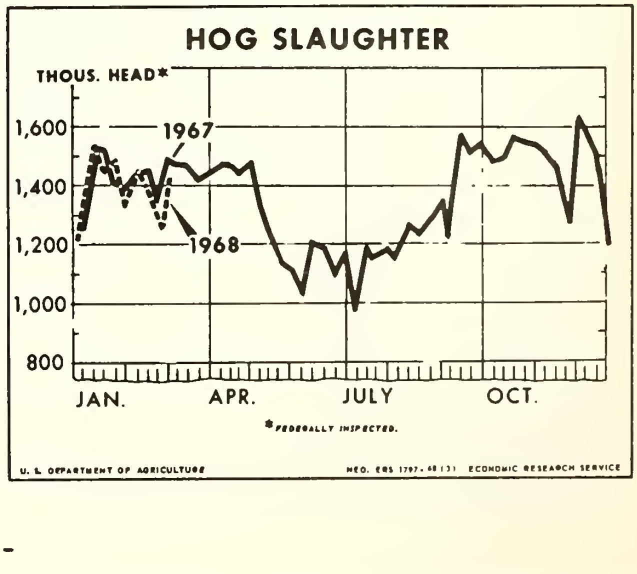


Table 6 .--Average weight of barrows and gilts at 8 markets, and price spread by weights at Chicago, 1964 to date

| Month | Average live weight, 8 markets | | | | | Price spread 240-270 lb. from 200-220 lb. at Chicago | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1964 | 1965 | 1966 | 1967 | 1968 | 1964 | 1965 | 1966 | 1967 | 1968 |
| | Lb. | Lb. | Lb. | Lb. | Lb. | Dol. | Dol. | Dol. | Dol. | Dol. |
| Jan. | 238 | 237 | 241 | 243 | 239 | - .89 | -.99 | -1.46 | -1.43 | -1.34 |
| Feb. | 234 | 231 | 237 | 236 | 235 | - .89 | -.60 | -1.13 | -1.05 | -1.06 |
| Mar. | 234 | 230 | 237 | 235 | | - .89 | -.53 | - .91 | - .57 | |
| Apr. | 237 | 233 | 241 | 238 | | - .86 | -.60 | -1.65 | - .67 | |
| May | 239 | 234 | 243 | 240 | | - .99 | -.68 | -1.74 | - .99 | |
| June | 237 | 232 | 239 | 237 | | -1.16 | -.68 | -1.23 | - .86 | |
| July | 232 | 229 | 228 | 234 | | - .64 | -.41 | - .62 | - .72 | |
| Aug. | 226 | 225 | 224 | 229 | | - .49 | -.18 | - .32 | - .33 | |
| Sept. | 228 | 226 | 227 | 231 | | - .30 | -.21 | - .81 | - .39 | |
| Oct. | 235 | 232 | 233 | 235 | | - .75 | -.36 | - .53 | - .62 | |
| Nov. | 236 | 236 | 239 | 240 | | - .96 | -.85 | -1.39 | -1.59 | |
| Dec. | 234 | 236 | 241 | 240 | | - .86 | -.90 | -1.83 | -1.69 | |
| Average | 234 | 232 | 236 | 237 | | - .81 | -.58 | -1.14 | - .91 | |

Compiled from data of Market News, Livestock Division, C&MS.

industry, 1968 spring farrowing and fall slaughter would be above the level indicated by the December Pig Crop Report. Also, the current feed situation and the relatively favorable level of hog prices expected for this spring and next summer will tend to encourage producers to at least maintain hog production near last year's levels in the months ahead. The March Pig Crop Report, to be released March 21, will provide new estimates of spring farrowings and producers tentative plans of the number of sows to farrow next summer in 10 Corn Belt States.

## Feeder Pig Prices Strengthen

Demand for feeder pigs has been strong in recent weeks. Prices generally advanced during January and February in contrast to a decline during this period last year. In late February, U.S. No. 2, 70 to 120 pound feeder pigs at Springfield, Illinois, averaged near $23 per 100 pounds--$2.50 above early January and $1.65 above a year earlier. During January-February 1967, feeder pig prices on this market dropped about $1. Stronger feeder pig prices this winter (in contrast to weak prices last winter) indicate producers are competing more aggressively than a year ago for feeder pigs as a means of utilizing the substantially larger supplies of feed.

## Hog Prices To Average Near Year Earlier

Pork production in recent months has been near a year earlier and prices have strengthened. During January and February 1968, barrows and gilts at 8 markets averaged $18.90 per 100 pounds--50 cents below a year earlier, but $1.60 above prices in November and December. Prices averaged about $19.60 in late February--$2 above early January and

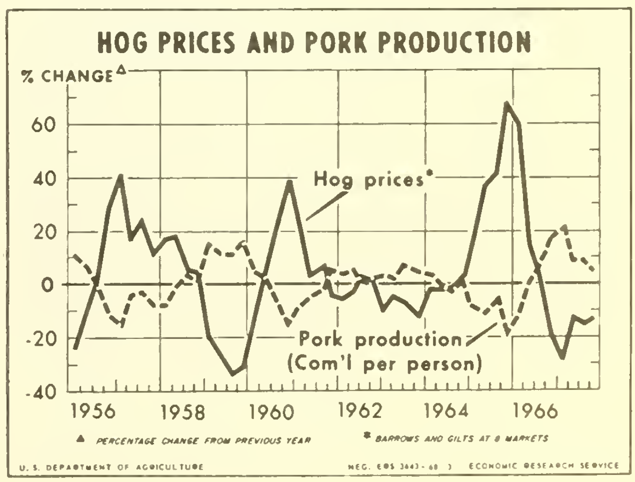


Table 7.--Selected prices per 100 pounds of livestock, by months, 1967-68

| Month | Barrows and gilts at 8 markets 1/ | | Sows at 8 markets 1/ | | Choice lambs at San Angelo | | Choice feeder lambs at San Angelo | |
|---|---|---|---|---|---|---|---|---|
| | 1967 | 1968 | 1967 | 1968 | 1967 | 1968 | 1967 | 1968 |
| | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| January | 19.46 | 18.31 | 15.52 | 14.57 | 21.44 | 22.94 | 22.25 | 22.35 |
| February | 19.38 | 19.41 | 16.17 | 16.05 | 19.56 | 24.19 | 20.00 | 23.75 |
| March | 18.43 | | 16.09 | | 22.15 | | 21.45 | |
| April | 17.62 | | 15.33 | | 24.25 | | 21.81 | |
| May | 21.83 | | 17.90 | | 25.60 | | 22.14 | |
| June | 22.29 | | 17.84 | | 24.34 | | 21.12 | |
| July | 22.58 | | 18.24 | | 23.56 | | 20.84 | |
| August | 21.05 | | 17.89 | | 22.25 | | 20.95 | |
| September | 19.46 | | 17.21 | | 21.90 | | 21.55 | |
| October | 18.16 | | 16.21 | | 22.19 | | 21.67 | |
| November | 17.36 | | 14.66 | | 22.60 | | 21.81 | |
| December | 17.29 | | 13.40 | | 23.13 | | 23.00 | |
| Average | 19.37 | | 16.43 | | 22.75 | | 21.55 | |

1/ Average for all weights at Midwest markets.

50 cents above a year earlier. Prices are expected to decline seasonally in late winter and early spring and probably will average near year-earlier levels. Hog prices will strengthen seasonally in late spring and rise to a peak in the summer. But the rise is expected to be more gradual and spread over a longer period than last year when prices jumped $4.50 during May. Although feed supplies have been record large and feed prices were lower this winter, slaughter weights of barrows and gilts have been averaging slightly under year-earlier levels but heavier than other recent years. The lighter weights have held down increases in pork production and added to the strength in hog prices.

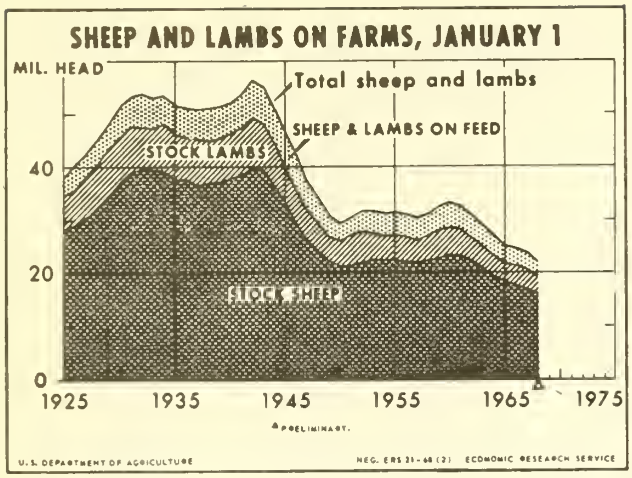
If hog slaughter were about the same as a year earlier during the second half of 1968, hog prices would decline seasonally through late summer and fall, but would likely remain above prices in the same period last year. On the other hand, a 2-3 percent increase in the spring pig crop would result in larger second half slaughter supplies and prices would be lower than a year earlier.

## SHEEP AND LAMBS

### Inventory Declines Sharply; Further Decline In 1968

The liquidation of the sheep and lamb inventory that began in 1960 continued at an accelerated rate last year. On January 1, 1968, there were 22.1 million head of sheep and lambs on farms and ranches--1.8 million head less than a year earlier. This was about a third less than the 1960 beginning inventory of 33.2 million head and about 60 percent less than the record of 56.2 million head on January 1, 1942. Last year's 7 percent decline was the sharpest drop in the sheep and lamb population since 1964, when the inventory declined at about the same rate. Most of the decline was in breeding ewes and ewe lambs. There were nearly 900,000 (5 percent) fewer ewes and almost 400,000 (13 percent) fewer ewe lambs. Stock sheep numbers declined in all but 7 States. All Western States reported reductions in stock sheep, except Idaho where the number was unchanged.

More than a third of the 1.5 million head decline in stock sheep numbers during 1967 occurred in Texas. There were 250,000 fewer ewe lambs in this State and 191,000 fewer breeding ewes on farms and ranches on




January 1 than a year earlier. Dry weather and poor feed conditions in some parts of the Southwest were largely responsible for an 8 percent smaller lamb crop in 1967 and the sharp decline in sheep and lamb inventories in Texas. Sheep and lambs in this State account for about 20 percent of the national total.

The current situation suggests that the sheep and lamb inventory will decline further in 1968. Replacement breeding stock will be drawn largely from 1967 crop ewe lambs. Thus, replacement supplies are smaller this year, since the number of ewe lambs on farms on January 1 was down 13 percent from a year earlier. Also, since there were 5 percent fewer ewes on farms and ranches at the beginning of the year, the 1968 lamb crop probably will be about 4 to 5 percent smaller than the 15 million lambs saved last year. Consequently, sheep and lamb slaughter this year would have to be about 15 percent less than in 1967 to stabilize the sheep and lamb inventory. Although slaughter is expected to be smaller in 1968, it is not likely to decline that much.

Liquidation has continued in recent years, even though lamb prices have averaged substantially higher than in the early 1960's when the current inventory decline began. For example, the average price received by farmers and ranchers for lambs sold during 1960-62 was $17.25 per 100 pounds. From 1965 through 1967, the average farm price for lambs was $22.85--up $5.60 or 32 percent from the early 1960's. Nevertheless, liquidation has been at a high rate in recent years and likely will continue in 1968 although lamb prices this year are expected to average well above 1967 levels.

## Winter-Spring Lamb Slaughter Down, Prices Higher

There were 9 percent fewer lambs on feed January 1, 1968, than a year earlier. Although January slaughter was about the same as in January 1967, weekly slaughter rates of sheep and lambs under Federal inspection in February averaged 21 percent below a year earlier. Slaughter during the balance of the winter and this spring is expected to continue below last year, reflecting the smaller number of lambs on feed and available for feeding as well as the smaller lamb crop in prospect for 1968.

Although there were 5 percent fewer breeding ewes on farms January 1 than a year earlier, the number of early lambs dropped last October-December was about the same as a year earlier. Most of these lambs will be marketed in the late winter and spring. However, the number of fed lambs marketed in this period is expected to be substantially less than a year earlier. Consequently, total slaughter supplies during this period likely will continue below last year.

Slaughter lamb prices at most major markets have strengthened this winter and have averaged about $2.50 above year-earlier levels. In late February, Choice grade slaughter lambs at San Angelo averaged around $25 per 100 pounds. This was about $2.50 above fall lows and $3 above a year earlier. Lamb prices this winter are expected to continue well above year-earlier levels. Prices in the spring are expected to continue above a year earlier. However, the increase over 1967 will be smaller than the current $3 difference.

Through the first 2 months this year, live weights of lambs slaughtered under

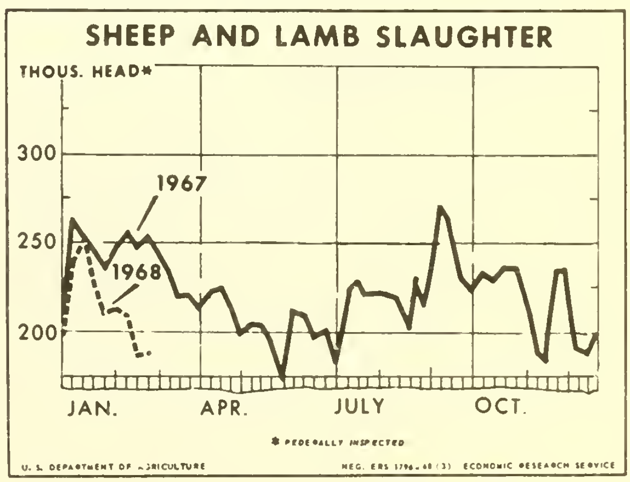


Table 8 .--Balance sheet for sheep and lambs, United States, 1956 to date

| Year | Number on farms Jan. 1 | Born during year | Net exports | Slaughter | Deaths | Adjustment factor | Number on farms Dec. 31 |
|---|---|---|---|---|---|---|---|
| | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head | 1,000 head |
| 1956 | 31,157 | 20,336 | +57 | 16,328 | 4,322 | -132 | 30,654 |
| 1957 | 30,654 | 19,810 | +18 | 15,292 | 4,353 | +416 | 31,217 |
| 1958 | 31,217 | 20,686 | -22 | 14,495 | 4,350 | -474 | 32,606 |
| 1959 | 32,606 | 21,120 | -54 | 15,528 | 4,539 | -543 | 33,170 |
| 1960 | 33,170 | 21,012 | -14 | 16,240 | 4,590 | -641 | 32,725 |
| 1961 1/ | 32,725 | 20,782 | +27 | 17,537 | 4,499 | -475 | 30,969 |
| 1962 | 30,969 | 19,712 | +16 | 17,168 | 4,437 | +116 | 29,176 |
| 1963 | 29,176 | 18,516 | +28 | 16,147 | 4,157 | -244 | 27,116 |
| 1964 | 27,116 | 16,994 | +10 | 14,895 | 4,062 | -16 | 25,127 |
| 1965 | 25,127 | 16,312 | +6 | 13,300 | 3,910 | +511 | 24,734 |
| 1966 | 24,734 | 15,881 | +51 | 13,001 | 3,627 | -209 | 23,727 |
| 1967 | 23,898 | 15,040 | +108 | 2/13,010 | 2/3,480 | 2/-218 | 22,122 |
| 1968 | 22,122 | | | | | | |

1/ Beginning 1961, 50-State total. 2/ Estimated.

Federal inspection averaged near the heavy weights of a year earlier. However, smaller slaughter supplies and strong prices in the lamb market this winter have resulted in smaller discounts on heavy fed lambs than a year earlier. For example, the spread between 45-55 pound carcasses and 55-65 pound carcasses at Chicago is currently about $1 in contrast to a $5.50 spread a year ago. Price spreads are expected to continue relatively narrow during the rest of the winter. If, as expected, slaughter rates continue below a year ago, price discounts probably will disappear by early spring.

Second Half Slaughter To Continue Smaller

Lamb slaughter in the summer and fall is expected to continue below a year earlier since the 1968 lamb crop likely will total about 4 to 5 percent smaller than the 1967 crop. Moreover, producers in some States, such as Texas, where substantial reductions occurred in 1967, may tend to hold more ewe lambs for herd replacement this year if weather conditions permit. On balance, slaughter supplies in 1968 may be restricted somewhat more than the lamb crop.

Prices of lambs next summer, as in most years, are expected to decline seasonally from the spring peak to a low in the fall, but likely will stay above year-earlier levels during the balance of the year. Although smaller lamb supplies are expected to bolster lamb prices in the months ahead, continued large supplies of other meats, particularly fed beef, will have some offsetting effect. Nevertheless, lamb prices in 1968 likely will be generally higher throughout the year than they have been in the past several years.

## FOREIGN TRADE IN MEATS

Imports And Exports Up

Red meat imports totaled 1,841 million pounds (carcass weight equivalent) in 1967, 7 percent more than in 1966. Beef and veal imports rose 10 percent to 1,328 million pounds, accounting for most of the increase in meat imports in 1967. Pork imports totaled 393 million pounds, up 3 percent. Lamb imports totaled 12 million pounds, down 18 percent. Mutton and goat imports totaled 109 million pounds, 10 percent less than in 1966. In total, meat imports in 1967 were equal to about 5 percent of U.S. meat production.

Meat exports in 1967 were 103 million pounds, up 3 percent from 1966. Pork exports totaled 58 million pounds, about 1 percent less than in 1966. Beef and veal

exports totaled 42 million pounds, up 8 percent. Exports of lamb and mutton amounted to less than 3 million pounds, but were 14 percent larger than in 1966.

### Imports Continue Below Quota Level

Imports of meat subject to restriction by quota totaled 895 million pounds (product weight) in 1967. This was about 9 percent larger than in 1966 but was below the quota level for the year.

Public Law 88-482 outlines procedures for reviewing the meat import situation and specifies the conditions for proclaiming import quotas for certain meats--primarily fresh or frozen beef and veal. The import quota level is related to the level of domestic production of these meats. For 1968, the adjusted base quota is 950.3 million pounds (product weight). The amount of estimated imports which would trigger its imposition is 110 percent of the adjusted base quota, or 1,045.3 million pounds. The estimate of imports of these meats in 1968 is 900 million pounds. Imports therefore are expected to continue below quota level this year.

## LEADING LIVESTOCK STATES

With few exceptions, the 10 leading States in livestock numbers are the same today as 10 years ago. However, over the past decade these States have tended to gain in relative importance as top producers. For example, the top 10 States accounted for 52 percent of all cattle and calves on farms on January 1, 1968, compared with 49 percent in 1958. The proportion of beef cattle in the top 10 changed only slightly--57 percent this year, compared with 56 percent 10 years ago. About 60 percent of the dairy herd was in the leading States this year, compared with 54 percent on January 1, 1958. Sheep and lambs changed significantly--69 percent in the top 10, compared with 62 percent 10 years ago.

There were 56.7 million head of cattle and calves in the 10 leading States on January 1, 1968--27 percent more than 10 years ago. The number increased 12 percent in the remaining 40 States during the 10-year period. Approximately 87 percent of the 10 State inventory were beef cattle, compared with 73 percent on January 1, 1958.

The number of beef cattle in the 10 leading States, at 49.4 million head, was 50 percent more than on January 1, 1958. In the other 40 States, beef cattle numbers rose 41 percent in the past 10 years. Beef cows accounted for 71 percent of all cows on farms and ranches on January 1, 1968, compared with 53 percent 10 years ago. Beef cow numbers increased 2 percent in 10 States during 1967 and 49 percent over the past 10 years. There were 3 percent fewer dairy cows in 10 States than a year ago and 24 percent less than 10 years ago.

The 10 leading sheep States accounted for 69 percent of the total inventory this year compared with 62 percent on January 1, 1958. There were 7 percent fewer sheep and lambs in the top 10 States than a year ago and 21 percent fewer than 10 years ago.

The 10 leading hog States accounted for 77 percent of the total number of pigs saved in 1967--about the same proportion as 10 years earlier.

## USDA MEAT PURCHASES

The U.S. Department of Agriculture purchased 12.7 million pounds of canned chopped meat (mostly pork) in January-February this year for use in the family distribution programs. The f.o.b. shipping point cost was $5.3 million provided under Section 32 of Public Law 320. Canned beef and pork, both with natural juices, were also purchased Funds were provided under Section 6 of the National School Lunch Act. These purchases included $7.0 million for 11.7 million pounds of canned beef and $823,000 for 1.4 million pounds of canned pork. All products were prepared from animals slaughtered and processed in the United States.

Table 9.--U.S. meat imports and exports: January-December 1966-67 and percentage comparisons (carcass weight)

| Item | 1966 | | | 1967 | | | Percent change | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jan.-Nov. | Dec. | Jan.-Dec. | Jan.-Nov. | Dec. | Jan.-Dec. | Jan.-Nov. | Dec. | Jan.-Dec. |
| | Imports | | | | | | | | |
| | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | 1,000 pounds | Percent | Percent | Percent |
| Beef and veal | 1,106,307 | 97,858 | 1,204,165 | 1,223,425 | 104,310 | 1,327,735 | +11 | + 7 | +10 |
| Lamb | 14,265 | 619 | 14,884 | 10,520 | 1,749 | 12,269 | -26 | +183 | -18 |
| Mutton and goat | 114,154 | 6,946 | 121,100 | 98,212 | 10,354 | 108,566 | -14 | + 49 | -10 |
| Pork | 349,332 | 32,013 | 381,345 | 351,276 | 41,264 | 392,540 | +0.6 | + 29 | + 3 |
| Total meat | 1,584,058 | 137,436 | 1,721,494 | 1,683,433 | 157,677 | 1,841,110 | + 6 | + 15 | + 7 |
| | Exports | | | | | | | | |
| Beef and veal | 35,679 | 3,490 | 39,169 | 38,694 | 3,469 | 42,163 | + 8 | -0.6 | + 8 |
| Lamb and mutton | 2,112 | 166 | 2,278 | 2,203 | 389 | 2,592 | + 4 | +134 | +14 |
| Pork | 52,406 | 5,996 | 58,402 | 53,270 | 4,664 | 57,934 | + 2 | - 22 | -0.8 |
| Total meat | 90,197 | 9,652 | 99,849 | 94,167 | 8,522 | 102,689 | + 4 | - 12 | + 3 |

Table 10.--Meat subject to U.S. import quota restriction: Product weight of imports by months, average 1959-63, 1964-67

| Year | January | February | March | April | May | June | July |
|---|---|---|---|---|---|---|---|
| | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. |
| 1959-63 average | 47,342 | 49,596 | 57,539 | 54,254 | 48,514 | 58,564 | 67,110 |
| 1964 | 87,232 | 44,873 | 68,877 | 61,363 | 51,113 | 98,152 | 43,726 |
| 1965 | 28,181 | 34,498 | 68,654 | 32,404 | 52,329 | 42,062 | 58,512 |
| 1966 | 51,397 | 60,341 | 49,419 | 63,334 | 51,954 | 100,222 | 61,361 |
| 1967 | 77,357 | 58,514 | 61,884 | 58,810 | 51,483 | 69,557 | 88,732 |

| Year | August | September | October | November | December | Total |
|---|---|---|---|---|---|---|
| | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. | 1,000 lb. |
| 1959-63 average | 84,131 | 76,055 | 61,599 | 56,106 | 61,396 | 722,206 |
| 1964 | 79,453 | 49,651 | 46,384 | 55,726 | 53,363 | 739,913 |
| 1965 | 59,917 | 62,208 | 64,411 | 57,281 | 53,747 | 614,204 |
| 1966 | 87,076 | 91,471 | 79,746 | 61,062 | 66,052 | 823,435 |
| 1967 | 92,237 | 89,742 | 91,811 | 82,335 | 72,401 | 894,863 |

Table 11.--Rank of States in number of cattle and calves on farms, January 1, 1968

| Rank | All cattle and calves | | Beef cattle and calves (cattle not for milk) | | | |
|---|---|---|---|---|---|---|
| | | | Total | | Beef cows 2 years and over | |
| | State | Number | State | Number | State | Number |
| | | 1,000 head | | 1,000 head | | 1,000 head |
| 1 | Texas | 10,972 | Texas | 10,383 | Texas | 5,304 |
| 2 | Iowa | 7,183 | Iowa | 6,178 | Nebraska | 1,964 |
| 3 | Nebraska | 6,475 | Nebraska | 6,139 | Oklahoma | 1,923 |
| 4 | Kansas | 5,564 | Kansas | 5,218 | Missouri | 1,779 |
| 5 | California | 4,927 | Missouri | 4,087 | Kansas | 1,710 |
| 6 | Missouri | 4,748 | Oklahoma | 4,077 | South Dakota | 1,638 |
| 7 | Oklahoma | 4,351 | South Dakota | 3,997 | Montana | 1,525 |
| 8 | South Dakota | 4,323 | California | 3,590 | Iowa | 1,360 |
| 9 | Wisconsin | 4,117 | Montana | 2,907 | Mississippi | 1,204 |
| 10 | Minnesota | 4,080 | Colorado | 2,847 | California | 1,005 |
| 11 | Illinois | 3,413 | Illinois | 2,816 | Colorado | 979 |
| 12 | Colorado | 3,021 | Minnesota | 2,255 | Kentucky | 956 |
| 13 | Montana | 2,984 | Kentucky | 2,100 | North Dakota | 956 |
| 14 | Kentucky | 2,721 | Mississippi | 2,079 | Louisiana | 883 |
| 15 | Mississippi | 2,464 | North Dakota | 1,872 | Tennessee | 874 |
| 16 | Tennessee | 2,308 | Tennessee | 1,766 | Alabama | 863 |
| 17 | North Dakota | 2,132 | Alabama | 1,660 | Florida | 846 |
| 18 | Ohio | 2,073 | Georgia | 1,592 | Arkansas | 845 |
| 19 | Indiana | 1,918 | Arkansas | 1,551 | Georgia | 787 |
| 20 | Alabama | 1,915 | Florida | 1,547 | Illinois | 782 |
| 21 | New York | 1,887 | Indiana | 1,480 | Wyoming | 699 |
| 22 | Georgia | 1,833 | Louisiana | 1,426 | New Mexico | 696 |
| 23 | Florida | 1,788 | Wyoming | 1,388 | Oregon | 680 |
| 24 | Pennsylvania | 1,781 | Oregon | 1,364 | Idaho | 528 |
| 25 | Louisiana | 1,739 | Idaho | 1,303 | Minnesota | 518 |
| 26 | Arkansas | 1,719 | New Mexico | 1,286 | Virginia | 466 |
| 27 | Idaho | 1,588 | Ohio | 1,274 | Indiana | 422 |
| 28 | Oregon | 1,577 | Arizona | 1,080 | Washington | 384 |
| 29 | Michigan | 1,454 | Washington | 1,032 | Arizona | 376 |
| 30 | Wyoming | 1,420 | Virginia | 984 | Ohio | 333 |
| 31 | Virginia | 1,390 | Wisconsin | 829 | Utah | 319 |
| 32 | Washington | 1,354 | North Carolina | 673 | North Carolina | 314 |
| 33 | New Mexico | 1,346 | Michigan | 636 | Nevada | 305 |
| 34 | Arizona | 1,160 | Utah | 633 | South Carolina | 237 |
| 35 | North Carolina | 1,000 | Nevada | 542 | Wisconsin | 208 |
| 36 | Utah | 762 | South Carolina | 501 | West Virginia | 183 |
| 37 | South Carolina | 617 | Pennsylvania | 500 | Michigan | 116 |
| 38 | Nevada | 568 | West Virginia | 345 | Pennsylvania | 98 |
| 39 | West Virginia | 448 | Hawaii | 218 | Hawaii | 89 |
| 40 | Maryland | 422 | New York | 161 | Maryland | 54 |
| 41 | Vermont | 351 | Maryland | 155 | New York | 54 |
| 42 | Hawaii | 241 | Maine | 24 | Maine | 10 |
| 43 | Maine | 151 | New Jersey | 20 | New Jersey | 7 |
| 44 | New Jersey | 141 | Vermont | 16 | Connecticut | 4 |
| 45 | Connecticut | 126 | Massachusetts | 13 | Delaware | 4 |
| 46 | Massachusetts | 125 | Connecticut | 12 | Massachusetts | 4 |
| 47 | New Hampshire | 78 | Delaware | 10 | Vermont | 4 |
| 48 | Delaware | 34 | New Hampshire | 8 | Alaska | 2 |
| 49 | Rhode Island | 15 | Alaska | 6 | New Hampshire | 2 |
| 50 | Alaska | 9 | Rhode Island | 2 | Rhode Island | 1 |
| | United States | 108,813 | | 86,582 | | 35,300 |

Table 12.--Rank of States in number of milk cows and sheep on farms, January 1, 1968 and pigs saved 1967

| Rank | Milk cows 2 years and over | | All sheep and lambs | | Number of pigs saved 1/ | |
|---|---|---|---|---|---|---|
| | State | Number | State | Number | State | Number |
| | | 1,000 head | | 1,000 head | | 1,000 head |
| 1 | Wisconsin | 2,147 | Texas | 4,206 | Iowa | 21,526 |
| 2 | Minnesota | 1,181 | Wyoming | 1,847 | Illinois | 11,981 |
| 3 | New York | 1,172 | California | 1,535 | Missouri | 7,242 |
| 4 | California | 857 | Colorado | 1,384 | Indiana | 6,696 |
| 5 | Pennsylvania | 823 | South Dakota | 1,382 | Minnesota | 5,509 |
| 6 | Iowa | 650 | Montana | 1,275 | Nebraska | 4,732 |
| 7 | Ohio | 535 | Utah | 1,074 | Ohio | 3,903 |
| 8 | Michigan | 519 | Iowa | 947 | Wisconsin | 3,267 |
| 9 | Missouri | 429 | New Mexico | 873 | South Dakota | 2,927 |
| 10 | Kentucky | 421 | Idaho | 834 | North Carolina | 2,592 |
| 11 | Texas | 406 | Ohio | 775 | Kansas | 2,463 |
| 12 | Illinois | 386 | Minnesota | 568 | Georgia | 2,344 |
| 13 | Tennessee | 375 | Oregon | 550 | Kentucky | 2,294 |
| 14 | Indiana | 285 | Arizona | 487 | Tennessee | 1,843 |
| 15 | Virginia | 264 | Kansas | 454 | Texas | 1,450 |
| 16 | Mississippi | 245 | Nebraska | 451 | Alabama | 1,404 |
| 17 | Kansas | 240 | Illinois | 402 | Michigan | 1,039 |
| 18 | Vermont | 236 | North Dakota | 394 | Virginia | 812 |
| 19 | Nebraska | 235 | Missouri | 349 | Mississippi | 740 |
| 20 | South Dakota | 225 | Indiana | 293 | Pennsylvania | 736 |
| 21 | North Carolina | 214 | Michigan | 255 | Oklahoma | 675 |
| 22 | Washington | 210 | Nevada | 247 | South Carolina | 658 |
| 23 | Louisiana | 206 | Virginia | 205 | North Dakota | 604 |
| 24 | Florida | 189 | Wisconsin | 189 | Arkansas | 519 |
| 25 | Maryland | 186 | West Virginia | 173 | Florida | 441 |
| 26 | North Dakota | 183 | Pennsylvania | 172 | Colorado | 347 |
| 27 | Oklahoma | 171 | Washington | 157 | Louisiana | 303 |
| 28 | Alabama | 166 | Oklahoma | 139 | Maryland | 274 |
| 29 | Idaho | 166 | Kentucky | 135 | California | 260 |
| 30 | Georgia | 155 | New York | 107 | Montana | 251 |
| 31 | Oregon | 126 | Tennessee | 57 | Oregon | 209 |
| 32 | Arkansas | 114 | Louisiana | 30 | Idaho | 192 |
| 33 | Colorado | 106 | Alaska | 27 | New York | 144 |
| 34 | New Jersey | 90 | North Carolina | 22 | Washington | 127 |
| 35 | South Carolina | 82 | Mississippi | 21 | West Virginia | 112 |
| 36 | Utah | 81 | Maryland | 19 | Massachusetts | 107 |
| 37 | Massachusetts | 80 | Maine | 17 | New Jersey | 92 |
| 38 | Maine | 79 | Arkansas | 10 | Utah | 87 |
| 39 | Connecticut | 77 | Massachusetts | 9 | Hawaii | 80 |
| 40 | West Virginia | 77 | New Jersey | 8 | Arizona | 74 |
| 41 | Arizona | 55 | Alabama | 8 | New Mexico | 70 |
| 42 | Montana | 51 | Vermont | 7 | Delaware | 59 |
| 43 | New Hampshire | 45 | Florida | 6 | Wyoming | 38 |
| 44 | New Mexico | 40 | Georgia | 6 | New Hampshire | 20 |
| 45 | Wyoming | 22 | Connecticut | 5 | Connecticut | 16 |
| 46 | Delaware | 17 | New Hampshire | 5 | Maine | 15 |
| 47 | Hawaii | 16 | Delaware | 2 | Nevada | 13 |
| 48 | Nevada | 15 | South Carolina | 2 | Vermont | 12 |
| 49 | Rhode Island | 10 | Rhode Island | 2 | Rhode Island | 9 |
| 50 | Alaska | 2 | Hawaii | 0 | Alaska | 2 |
| | United States | 14,662 | | 22,122 | | 91,310 |

1/ Total pigs saved from December-May and June-November pig crops.

Supply and distribution of meat, by months, July 1967 to date

| Meat and Period | Commercially produced: Supply: Production 1/ | Supply: Beginning stocks | Supply: Imports | Distribution: Exports and shipments | Distribution: Ending stocks | Distribution: Military | Civilian Consumption: Total | Civilian Consumption: Per person 2/ |
|---|---|---|---|---|---|---|---|---|
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| Beef: | | | | | | | | |
| July | 1,603 | 276 | 133 | 7 | 265 | 50 | 1,690 | 8.7 |
| August | 1,739 | 265 | 136 | 7 | 245 | 71 | 1,817 | 9.3 |
| September | 1,648 | 245 | 138 | 7 | 243 | 58 | 1,723 | 8.8 |
| 3rd quarter | 4,990 | 276 | 407 | 21 | 243 | 179 | 5,230 | 26.8 |
| October | 1,728 | 243 | 137 | 8 | 247 | 63 | 1,790 | 9.2 |
| November | 1,618 | 247 | 119 | 7 | 267 | 41 | 1,669 | 8.5 |
| December | 1,593 | 267 | 103 | 7 | 278 | 107 | 1,571 | 8.0 |
| 4th quarter | 4,939 | 243 | 359 | 22 | 278 | 211 | 5,030 | 25.7 |
| Year | 19,996 | 307 | 1,313 | 89 | 278 | 753 | 20,496 | 105.3 |
| Veal: | | | | | | | | |
| July | 59 | 12 | 1 | 1 | 11 | 3 | 57 | .3 |
| August | 68 | 11 | 1 | 1 | 9 | 5 | 65 | .3 |
| September | 66 | 9 | 1 | 3/ | 9 | 6 | 61 | .3 |
| 3rd quarter | 193 | 12 | 3 | 2 | 9 | 14 | 183 | .9 |
| October | 71 | 9 | 1 | 3/ | 11 | 4 | 66 | .3 |
| November | 64 | 11 | 1 | 3/ | 11 | 3 | 62 | .3 |
| December | 55 | 11 | 1 | 1 | 11 | 4 | 51 | .3 |
| 4th quarter | 190 | 9 | 3 | 1 | 11 | 11 | 179 | .9 |
| Year | 750 | 11 | 15 | 6 | 11 | 51 | 708 | 3.6 |
| Lamb and mutton: | | | | | | | | |
| July | 48 | 15 | 7 | 3/ | 13 | 3/ | 57 | .3 |
| August | 54 | 13 | 9 | 1 | 11 | 1 | 63 | .3 |
| September | 55 | 11 | 12 | 1 | 11 | 3/ | 66 | .4 |
| 3rd quarter | 157 | 15 | 28 | 2 | 11 | 1 | 186 | 1.0 |
| October | 55 | 11 | 9 | 3/ | 13 | 1/ | 61 | .3 |
| November | 50 | 13 | 15 | 3/ | 15 | 3/ | 63 | .3 |
| December | 49 | 15 | 12 | 1 | 15 | 3/ | 60 | .3 |
| 4th quarter | 154 | 11 | 36 | 1 | 15 | 1 | 184 | .9 |
| Year | 635 | 17 | 121 | 5 | 15 | 4 | 749 | 3.8 |
| Pork: | | | | | | | | |
| July | 838 | 293 | 32 | 9 | 239 | 17 | 898 | 4.6 |
| August | 1,012 | 239 | 31 | 11 | 199 | 29 | 1,043 | 5.4 |
| September | 1,046 | 199 | 27 | 13 | 203 | 17 | 1,039 | 5.3 |
| 3rd quarter | 2,896 | 293 | 90 | 33 | 203 | 63 | 2,980 | 15.3 |
| October | 1,156 | 203 | 30 | 15 | 250 | 30 | 1,094 | 5.6 |
| November | 1,144 | 250 | 29 | 13 | 279 | 15 | 1,116 | 5.7 |
| December | 1,095 | 279 | 41 | 14 | 287 | 17 | 1,097 | 5.6 |
| 4th quarter | 2,395 | 203 | 100 | 42 | 287 | 62 | 3,307 | 16.9 |
| Year | 12,375 | 234 | 392 | 145 | 287 | 269 | 12,300 | 63.2 |
| All meat: | | | | | | | | |
| July | 2,548 | 596 | 173 | 17 | 528 | 70 | 2,702 | 13.9 |
| August | 2,873 | 528 | 177 | 20 | 464 | 106 | 2,988 | 15.3 |
| September | 2,815 | 464 | 178 | 21 | 466 | 81 | 2,889 | 14.8 |
| 3rd quarter | 8,236 | 596 | 528 | 58 | 466 | 257 | 8,579 | 44.0 |
| October | 3,010 | 466 | 177 | 23 | 521 | 98 | 3,011 | 15.4 |
| November | 2,876 | 521 | 164 | 20 | 572 | 59 | 2,910 | 14.8 |
| December | 2,792 | 572 | 157 | 23 | 591 | 128 | 2,779 | 14.2 |
| 4th quarter | 8,678 | 466 | 498 | 66 | 591 | 285 | 8,700 | 44.4 |
| Year | 33,756 | 569 | 1,841 | 245 | 591 | 1,077 | 34,253 | 175.9 |

1/ Includes custom slaughtering for farmers beginning in 1966. Data are not comparable with other years. 2/ Derived from estimates by months of population eating out of civilian food supplies. 3/ Less than 500,000 pounds.

Selected price statistics for meat animals and meat

| Item | Unit | 1967 Year average or total | 1967 January | 1967 February | 1968 January | 1968 February |
|---|---|---|---|---|---|---|
| CATTLE AND CALVES: | | | | | | |
| Beef steers, slaughter | Dollars per | | | | | |
| Chicago, Prime | 100 pounds | 26.92 | 25.77 | 25.72 | 28.18 | 29.33 |
| Choice | do. | 26.04 | 25.25 | 24.92 | 26.87 | 27.34 |
| Good | do. | 24.79 | 24.27 | 24.06 | 25.01 | 25.66 |
| Standard | do. | 22.91 | 22.69 | 22.24 | 22.42 | 23.23 |
| Utility | do. | 21.40 | 21.01 | 20.48 | 20.30 | 20.86 |
| All grades | do. | 25.97 | 25.20 | 24.92 | 26.68 | 27.19 |
| Omaha, all grades | do. | 24.88 | 24.30 | 23.68 | 25.05 | 25.75 |
| Sioux City, all grades | do. | 24.95 | 24.34 | 23.91 | 25.48 | 25.98 |
| Cows, Chicago | | | | | | |
| Commercial | do. | 17.01 | 16.42 | 17.27 | 15.91 | 17.41 |
| Utility | do. | 17.52 | 16.98 | 17.92 | 16.35 | 17.98 |
| Cutter | do. | 16.76 | 16.32 | 17.14 | 15.56 | 17.18 |
| Canner | do. | 15.78 | 15.31 | 15.80 | 14.69 | 16.08 |
| Vealers, Choice, S. St. Paul | do. | 31.61 | 32.32 | 32.18 | 32.19 | 36.28 |
| Stocker and feeder steers, Kansas City 1/ | do. | 24.67 | 24.32 | 24.04 | 23.89 | 25.68 |
| Price received by farmers | | | | | | |
| Beef cattle | do. | 6/22.19 | 21.70 | 21.60 | 21.80 | 22.80 |
| Cows | do. | 6/16.52 | 16.30 | 17.00 | 15.60 | 16.70 |
| Steers and heifers | do. | 6/24.04 | 23.90 | 23.30 | 24.00 | 24.90 |
| Calves | do. | 6/26.46 | 26.10 | 26.60 | 26.40 | 27.80 |
| Beef steer-corn price ratio 2/ | do. | 20.7 | 18.0 | 18.1 | 24.4 | 25.9 |
| HOGS: | | | | | | |
| Barrows and gilts, U.S. No. 1, 2 & 3, Chicago | | | | | | |
| 200-220 pounds | do. | 20.77 | 20.67 | 20.23 | ---- | --- |
| 220-240 pounds | do. | 20.20 | 20.36 | 19.97 | 18.87 | 19.93 |
| 240-270 pounds | do. | 19.58 | 19.24 | 19.18 | 18.30 | 19.52 |
| All weights | do. | 19.69 | 19.61 | 19.53 | 18.67 | 18.85 |
| Barrows and gilts, 8 markets 3/ | do. | 19.37 | 19.46 | 19.38 | 18.31 | 19.41 |
| Sows, Chicago | do. | 16.64 | 15.46 | 16.14 | 15.22 | 16.32 |
| Price received by farmers | do. | 6/18.98 | 18.90 | 18.80 | 17.60 | 18.90 |
| Hog-corn price ratio 4/ | | | | | | |
| Chicago, barrows and gilts | | 15.5 | 14.1 | 14.2 | 17.1 | 17.7 |
| Price received by farmers, all hogs | | 16.3 | 14.8 | 14.9 | 16.9 | 17.8 |
| SHEEP AND LAMBS: | Dollars per | | | | | |
| Sheep | 100 pounds | | | | | |
| Slaughter ewes, Good, Chicago | do. | 6.58 | 7.50 | 7.50 | 5.75 | 5.75 |
| Price received by farmers | do. | 6/6.35 | 6.90 | 6.76 | 6.46 | 6.74 |
| Lamb | | | | | | |
| Slaughter, Choice, Chicago | do. | 23.87 | 23.32 | 21.68 | 23.03 | 24.98 |
| Feeder, Choice, S. St. Paul | do. | 21.34 | 22.90 | 21.02 | 22.93 | 24.84 |
| Price received by farmers | do. | 6/22.25 | 21.90 | 20.10 | 22.10 | 23.20 |
| All meat animals: | | | | | | |
| Index number price received by farmers (1910-14=100) | | 335 | 330 | 328 | 324 | 342 |
| MEAT: | | | | | | |
| Wholesale, Chicago, Carlot 5/ | Dollars per | | | | | |
| Steer beef carcass, Choice, 500-600 pounds | 100 pounds | 43.43 | 40.59 | 39.35 | 42.43 | 43.30 |
| Lamb carcass, Choice, 45-55 pounds | do. | 53.33 | 47.62 | 44.62 | 50.20 | 53.54 |
| Fresh pork loins, 8-12 pounds | do. | 49.74 | 47.30 | 45.69 | 46.88 | 49.04 |
| Retail, United States average | Cents | | | | | |
| Beef, Choice grade | per pound | 84.1 | 82.8 | 83.3 | 86.3 | |
| Pork, retail cuts and sausage | do. | 67.0 | 67.5 | 66.7 | 65.7 | |
| Lamb, Choice grade | do. | 87.1 | 84.3 | 83.3 | 89.4 | |
| Index number all meats (BLS) | | | | | | |
| Wholesale (1957-59=100) | | 109.9 | 105.0 | 102.8 | 105.1 | |
| Retail (1957-59=100) | | 113.8 | 112.8 | 112.9 | 114.4 | |
| Beef and veal | | 113.1 | 110.9 | 111.8 | 115.9 | |
| Pork | | 114.8 | 114.9 | 113.6 | 112.0 | |

1/ Average all weights and grades.
2/ Bushels of No. 3 Yellow Corn equivalent in value to 100 pounds of slaughter steers sold out of first hands, Chicago, all grades.
3/ Chicago, St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis.
4/ Number bushels of corn equivalent in value to 100 pounds of live hogs.
5/ Yearly average is for less than carlot.
6/ Simple average.

Selected marketing, slaughter and stocks statistics for meat animals and meat

| Item | Unit | 1967 Year average or total | 1967 January | 1967 February | 1968 January | 1968 February |
|---|---|---|---|---|---|---|
| Meat animal marketings | | | | | | |
| Index number (1957-59=100) | | 127 | 130 | 116 | | |
| Stocker and feeder shipments to 8 Corn Belt States | 1,000 | | | | | |
| Cattle and calves | head | 7,852 | 514 | 355 | 523 | |
| Sheep and lambs | do. | 1,449 | 88 | 67 | 96 | |
| Slaughter under Federal inspection | | | | | | |
| Number slaughtered | | | | | | |
| Cattle | do. | 27,771 | 2,368 | 2,105 | 2,493 | |
| Steers | do. | 14,676 | 1,231 | 1,131 | 1,299 | |
| Heifers | do. | 7,172 | 587 | 528 | 653 | |
| Cows | do. | 5,538 | 519 | 421 | 511 | |
| Bulls and stags | do. | 384 | 31 | 25 | 30 | |
| Calves | do. | 4,002 | 373 | 313 | 365 | |
| Sheep and lambs | do. | 11,495 | 1,067 | 989 | 1,050 | |
| Hogs | do. | 70,890 | 6,292 | 5,652 | 6,496 | |
| Percentage sows | Percent | 7 | 6 | 6 | 6 | |
| Average live weight per head | | | | | | |
| Cattle | Pounds | 1,039 | 1,058 | 1,057 | 1,048 | |
| Calves | do. | 191 | 192 | 194 | 188 | |
| Sheep and lambs | do. | 102 | 106 | 107 | 105 | |
| Hogs | do. | 242 | 245 | 238 | 241 | |
| Average production | | | | | | |
| Beef, per head | do. | 607 | 614 | 615 | 610 | |
| Veal, per head | do. | 106 | 106 | 108 | 104 | |
| Lamb and mutton, per head | do. | 50 | 53 | 53 | 52 | |
| Pork, per head | do. | 152 | 153 | 150 | 153 | |
| Pork, per 100 pounds live weight | do. | 63 | 62 | 63 | 64 | |
| Lard, per head | do. | 26 | 27 | 25 | 24 | |
| Lard, per 100 pounds live weight | do. | 11 | 11 | 10 | 10 | |
| Total production | Million | | | | | |
| Beef | pounds | 16,825 | 1,450 | 1,291 | 1,517 | |
| Veal | do. | 423 | 39 | 34 | 38 | |
| Lamb and mutton | do. | 573 | 56 | 52 | 54 | |
| Pork | do. | 10,748 | 961 | 845 | 993 | |
| Lard | do. | 1,835 | 167 | 143 | 157 | |
| Commercial slaughter 1/ | | | | | | |
| Number slaughtered | 1,000 | | | | | |
| Cattle | head | 33,876 | 2,900 | 2,577 | 3,028 | |
| Calves | do. | 5,928 | 548 | 465 | 519 | |
| Sheep and lambs | do. | 12,768 | 1,149 | 1,074 | 1,150 | |
| Hogs | do. | 82,136 | 7,293 | 6,567 | 7,564 | |
| Total production | Million | | | | | |
| Beef | pounds | 19,996 | 1,728 | 1,539 | 1,796 | |
| Veal | do. | 750 | 67 | 59 | 63 | |
| Lamb and mutton | do. | 635 | 60 | 57 | 59 | |
| Pork | do. | 12,375 | 1,106 | 975 | 1,150 | |
| Lard | do. | 2,045 | 186 | 162 | 176 | |
| Cold storage stocks first of month | | | | | | |
| Beef | do. | --- | 307 | 319 | 275 | |
| Veal | do. | --- | 11 | 15 | 12 | |
| Lamb and mutton | do. | --- | 17 | 15 | 15 | |
| Pork | do. | --- | 234 | 256 | 286 | |
| Total meat and meat products 2/ | do. | --- | 621 | 668 | 644 | |

1/ Federally inspected, and other commercial.

2/ Includes stocks of canned meats in cooler in addition to the four meats listed.

# LIST OF TABLES



STANDARD SUMMARY TABLES

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POSTAGE AND FEES PAID
U.S. Department of Agriculture

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